

Minutes

City of Westminster Mayor and Common Council Meeting

**Monday, March 27, 2017 at 7 pm
Council Chambers of City Hall, 1838 Emerald Hill Lane, Westminster, MD**

CALL TO ORDER

Council Members Present: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, Councilman Pecoraro, and Mayor Utz **Absent:** None.

Staff Present: Director of Public Works Glass, Director of Recreation and Parks Gruber, City Clerk Visocsy, City Attorney Levan, Director of Finance and Administrative Services Palmer, Chief of Police Spaulding, City Administrator Matthews, Director of Community Planning & Development Mackey, and Manager of Human Resources Childs.

APPROVAL OF MINUTES OF THE MEETING OF MARCH 13, 2017

Councilman Pecoraro moved, seconded by Councilman Chiavacci, to approve the minutes of the meeting of March 13, 2017.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

PRESENTATION

Ms. Mathews began her presentation on the proposed FY 2018 budget by thanking department directors and the Finance Committee for their assistance with the development of the budget. Ms. Matthews stated that the budget was structured as five funds - the General Fund, Water Fund, Sewer Fund, Fiber Fund, and Capital Projects Fund. Revenues for all funds totaled \$73.08 million while total expenditures are \$74.47 million. Ms. Mathews described the proposed changes in staffing. Total full-time equivalent (FTE) staffing would increase by 1.125. An Administrative Coordinator position in the General Fund would increase from 35 to 40 hours per week (.0125 FTE). One-half of the personnel costs for the Deputy Public Works Director would be transferred from the General Fund to the Fiber Fund. Finally, the proposed budget includes an increase of 1.0 FTE in the Fiber Fund for maintenance of the network.

Ms. Matthews advised the Mayor and Common Council that the budget proposal includes funding for a 3% step increase for regular employees. Health insurance costs were assumed in the budget to increase by 11%.

Ms. Matthews noted that, for budgetary purposes, the General Fund includes financial activities associated with the City's Public Housing Authority. Total revenues for the General Fund are \$15.66 million. Fund expenditures total \$15.66 million. An operating transfer in the amount of \$110,000 would be made from the General Fund to the Fiber Fund.

Ms. Matthews then stated that the City's assessable real property base net is projected to increase two percent (2%) from the prior year. Property in Westminster would be reassessed during calendar year 2018, with new values impacting the FY 2019 budget. The budget proposal assumes that the real property tax rate will continue to be \$0.56 per \$100 of assessed valuation; the constant yield tax rate is \$0.5489. Personal property tax rates

would remain unchanged at \$1.40 per \$100 of assessed valuation for utilities and \$1.10 per \$100 of assessed valuation for all others.

Income tax receipts are on track to exceed the budgeted amount in FY 2017. On a budget to budget basis, revenues from this source would increase by 18%. Due to technical and administrative issues, the proposed budget did not assume any revenues from rental licensing fees. After meeting with staff and reviewing the program, Ms. Matthews concluded that invoices could be issued in a timely fashion so that the City will be receiving revenue during FY 2018.

Ms. Matthews then highlighted certain General Fund expenditures. New initiatives included an update of the City's Sign Code, a survey of City residents, and Main Street programs.

Proposed Water Fund revenues are \$5.81 million, with no change in water rates for FY 2018 pending completion of a water rate study. Total fund expenditures are \$7.52 million; capital projects make up \$2.37 million of this amount.

Sewer Fund revenues are budgeted at \$36.26 million, with no change in rates for FY 2018. Of this amount, bond proceeds represent \$11.95 million and grants for the ENR project total \$17.5 million. Fund expenditures are \$35.69 million; capital projects total \$30.8 million of this amount.

Fiber Fund revenues total \$7.39 million. Additionally, there will be an operating transfer from the General Fund to the Fiber Fund. Loan proceeds for continued construction of the City's fiber network total \$7 million. Ms. Matthews then highlighted the \$7.5 million in fund expenditures, noting that debt service was budgeted at \$181,000. The proposed budget also allocates \$80,000 for a grant agreement with MAGIC; Ms. Matthews advised the Mayor and Common Council that MAGIC had requested \$100,000.

Revenues for the Capital Projects Fund total \$2.85 million while fund expenditures are budgeted at \$8.1 million. Ms. Matthews noted that the proposed budget assumed bond proceeds in the amount of \$5 million, which would be earmarked for the street overlay program. Other than routine maintenance of the property, the budget proposal did not include funding for Wakefield Valley. Debt service for the 2005 and 2012 bond issues had been moved from the General Fund to the Capital Projects Fund, with an associated cost of \$446,000.

Ms. Matthews then outlined the schedule for the remainder of the budget process.

PUBLIC HEARINGS

Mayor Utz conducted a public hearing on the Constant Yield Tax Rate for FY 2018. Ms. Palmer informed the Mayor and Common Council that the real property tax rate must be set at the constant yield tax rate hearing, or at a later time if announced at the time of the hearing. The tax rate is adopted as part of the overall budget. An ordinance setting the tax rate is scheduled for adoption on May 8, 2017. The Fiscal Year 2017 property tax rate is \$0.56 per \$100 of assessed real property. Ms. Palmer stated that the budget for FY 2018 assumes a continuation rate of this rate. This rate is 2.0% higher than the constant yield tax rate of \$0.5489 per \$100 of assessed real property and will generate \$186,175 of new real property tax revenues.

Dan Strickler, 546 Roops Mill Road, owns rental property in the City but lives outside of the City limits. He expressed frustration that he did not have the right to vote even though actions of the Mayor and Common Council impacted him.

With no additional comments or questions from the Common Council and the public, Mayor Utz closed the public hearing.

Mayor Utz then conducted a public hearing on the proposed budget for Fiscal Year 2018 as presented by Ms. Matthews.

Ben Yingling, 54 W. Green Street, commented favorably on the Main Street initiatives included in the budget. He inquired if the merchants association is going to be a separate profit entity. Mayor Utz replied that this had not yet been determined. Mr. Mackey shared that the proposal is to encourage creation of a 501c3 which is the standard operating model for Main Street organizations. Mr. Yingling then asked if the local firm that would assist with developing an ambassadors program has been selected. Mayor Utz replied that the initiative is still under consideration; therefore, a firm had not yet been selected.

With no additional comments or questions from the Common Council and the public, Mayor Utz closed the public hearing.

Mayor Utz then conducted a public hearing on the proposed Annexation No. 68 (Feeser and Ellis) via Resolution No. 16-09, "Enlarging the corporate boundaries of the City of Westminster by annexing into the City certain property contiguous and adjoining to the City's existing corporate boundaries consisting of approximately 1.135± acres of land located on the west side of Maryland Route 97 generally south of Meadow Branch Road and north of Krider's Church Road, and known as 842 Littlestown Pike."

Mr. Mackey stated that the Mayor and Common Council introduced Resolution No. 16-09 to begin the process of annexing the proposed property on August 22, 2016. On October 18, 2016, the Carroll County Planning and Zoning Commission reviewed the petition. On November 15, 2016, the Carroll County Board of Commissioners reviewed the petition. The Westminster Planning and Zoning Commission held a public hearing and voted to recommend approval, as presented, and that the property remain in the Maryland Priority Funding Area, following annexation.

With no additional comments or questions from the Common Council and the public, Mayor Utz closed the public hearing.

CONSENT CALENDAR

President Albert requested a motion to approve the consent calendar, which consists of February 2017 Departmental Operating Reports, proposed Public Works Agreement No. A -1102 for Mid-Atlantic Farm Credit regarding its property located at 45 Aileron Court, and the proposed Stormwater Management Deed of Easement and Maintenance Agreement for Mid-Atlantic Farm Credit regarding its property located at 45 Aileron Court.

Councilwoman Becker moved, seconded by Councilman Chiavacci, to approve the Consent Calendar, as recommended.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

REPORT FROM THE MAYOR

Mayor Utz welcomed County Commissioner Frazier to the meeting.

REPORTS FROM STANDING COMMITTEES

Councilman Wack thanked Ms. Matthews, Ms. Palmer, and City staff for their hard work on the proposed budget for FY 2018. He commented that it is a great budget, including the City's ability to give staff a 3% increase. Councilman Wack commented that the budget is a reflection of many tough choices and the hard work of staff over the last decade.

Councilman Pecoraro echoed Councilman Wack's comments regarding the budget. Additionally, he thanked Ms. Palmer and Ms. Matthews for their FY 2018 budget presentation. He stated that this year's budget process

has been very open and transparent, with considerable information shared with the Mayor, Council, and the public. He noted that this year's process provided more opportunities for public comment.

Councilwoman Becker and President Albert echoed the comments of Councilman Pecoraro and Councilman Wack regarding the budget for FY 2018.

Mayor Utz shared with the audience that the proposed budget for FY 2018 is on the City website for public review.

COUNCIL COMMENTS AND DISCUSSION

Councilman Chiavacci shared that there will be a Public Safety Task Force meeting on April 12, 2017 to formulate its objectives. Currently, there are eight people who have committed to participating on the Task Force. Councilman Chiavacci plans to report back to the Mayor and Common Council after the meeting. Councilman Chiavacci also shared positive feedback from a citizen who recently received their fiber hook up.

BIDS

Mr. Glass informed the Mayor and Common Council that the existing sewer camera is in need of replacement. He recommended approval of the proposal submitted by Atlantic Machinery Inc. for a CUES unit in the amount of \$124,890.00.

Councilman Wack moved, seconded by Councilwoman Becker, to approve the proposal submitted by Atlantic Machinery Inc. for a CUES unit in the amount of \$124,890.00.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

ORDINANCES & RESOLUTIONS

Mr. Mackey recommended the approval of Annexation No. 68, Resolution No. 16-09 as presented during the public hearing.

President Albert requested a motion to adopt Adoption of Annexation No. 68 (Feeser and Ellis) via Resolution No. 16-09, "Enlarging the corporate boundaries of the City of Westminster by annexing into the City certain property contiguous and adjoining to the City's existing corporate boundaries consisting of approximately 1.135± acres of land located on the west side of Maryland Route 97 generally south of Meadow Branch Road and north of Krider's Church Road, and known as 842 Littlestown Pike."

Councilman Chiavacci moved, seconded by Councilman Wack, to approve Annexation No. 68, Resolution No. 16-09.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

Mr. Mackey stated that Ordinance No. 877, declaring surplus a portion of certain property conveyed to the City of Westminster for the purpose of construction of a certain roadway abutting that commercial subdivision known as Carroll Commerce Center and authorizing the re-conveyance of the property to the City's grantor for no consideration, was introduced on March 13, 2017.

Councilwoman Becker moved, seconded by Councilman Wack, to approve Ordinance No. 877.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

The Mayor and Common Council introduced Resolution No. 17-01, in order to initiate the annexation of City-owned property where the City's Wastewater Treatment Plant (WWTP) is located. The resolution proposes that the entire City-owned property be designated I-G General Industrial upon its annexation. Proposed Ordinance No. 878 would revise the City's Zoning Code to include a new definition for WWTP, permit the use in the I-G zone, and set forth appropriate dimensional standards to accommodate the City's WWTP and the proposed addition regarding Enhanced Nutrient Removal. Mr. Mackey recommended Ordinance No. 878 be introduced for consideration and forwarded to the Planning and Zoning Commission for review and recommendation.

President Albert requested a motion to introduce Ordinance No. 878, Amending Chapter 164, "Zoning", of the Westminster City Code, Article I, "General Provisions", Section 164-3, "Definitions and word usage", to provide a definition for the term "Wastewater Treatment Plant"; and amending Article XI, "I-G General Industrial Zone", Section 164-61, "Uses Permitted", to add certain permitted uses relating to wastewater and water treatment plants in the I-G Zone; Section 164-63, "Dimensional, Landscaping And Distance Requirements", to add additional dimensional requirements for facilities in the I-G zone, and Section 164-64, "Building Height", to provide standards for height of structures in the I-G zone and exemptions from these height requirements for certain facilities.

Councilman Chiavacci moved, seconded by Councilman Wack, to introduce Ordinance No. 878, as recommended.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

Ms. Childs recommended approval of Resolution No. 17-2, authorizing the City's participation in a Cigna Prescription Drug Plan for the City's Medicare Eligible Retirees. The Resolution will update the agreement to reflect current federal regulations for Medicare services.

Councilman Wack moved, seconded by Councilwoman Pecoraro, to approve Resolution No. 17-2, authorizing the City's participation in a Cigna Prescription Drug Plan for the City's Medicare Eligible Retirees.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

NEW BUSINESS

Ms. Matthews began FY 2018 Budget Work Session #1 by asking Mr. Mackey to discuss the Main Street Refocus initiative. Mr. Mackey informed the Mayor and Common Council that the Main Street Refocus initiative includes several components - new holiday decorations, assistance to encourage formation of a Merchants Association, support for creation of an Ambassadors Program, a Speaker Series, and a Model Storefront program.

Councilwoman Becker inquired if the Main Street Merchant Association would be more formal than the current program. Mr. Mackey replied that it will be more formal. Councilman Pecoraro stated that all of Main Street needs to be looked at and feels that this will help to draw people down from McDaniel College; Pennsylvania Avenue should also be included in any programming. Councilwoman Becker noted that McDaniel College owns property on Pennsylvania Avenue, and Campus Safety operates out of a facility there. Councilman Wack commented that the level of City support needs to be articulated in regard to the Main Street Merchant Association; business leadership is needed. All businesses on Main Street must benefit, not just the businesses in the Merchants Association. Mayor Utz stated that there needs to be a clear focus and vision for what the City is doing to create a better Main Street. He then questioned where the City stood with the Westminster Town Center Corporation. Ms. Palmer replied that there were some funds that were held by the Westminster Town Center Corporation. When the account became dormant, the funds were transferred to the State, but the City was able to get those funds back; they are being held in escrow at this time.

Ms. Matthews then asked Mr. Glass to talk about how street work would be prioritized. Mr. Glass informed the Mayor and Common Council that, in anticipation of the \$5 million in bond proceeds, Public Works would plan to focus on the most heavily traveled streets. The plan would be to complete Johahn Drive, then focus on East and West Main Street, Pennsylvania Avenue and Uniontown Road. Councilman Wack questioned what ongoing annual investment would be needed. Mr. Glass replied approximately \$1.5 million. Councilman Chiavacci expressed concern about the proposed \$5 million bond issue, noting that the City had previously increased taxes for this reason. Councilman Wack commented that over the years, the City has had to spend the money on a variety of capital projects and equipment; he asked staff to provide a summary of the projects the City has funded over the years. Councilman Pecoraro added that the challenge is the many capital needs that the City has, particularly as an older community. Councilman Chiavacci inquired if the City would still need to spend \$1.5 million annually if the City proceeded with the bond issue. Mr. Glass responded that the City would need to do so. Councilman Wack inquired if the City could do something different going forward to reduce spending on the street overlay program, such as controlling large truck traffic on certain streets. Councilman Chiavacci agreed with Councilman Wack regarding large truck traffic. He added that the City cannot continue to invest this amount of money in street overlay.

Councilman Wack inquired if the City is retiring some debt in the FY 2018 budget. Ms. Matthews replied that the proposed FY 2018 budget contains a withdrawal from reserves in the amount of \$750,000 to partially pay off some higher interest debt. Councilman Chiavacci inquired about the use of the 2005 and 2012 bond proceeds. Ms. Palmer replied that the 2012 bond was the refunding for the parking garage and that the 2005 bond was utilized for the Green Street bridge construction. Councilman Pecoraro pointed out that interest rates and the cost of materials used in paving projects have remained low, which should be considered. Councilman Chiavacci did not entirely agree with Councilman Pecoraro. He inquired how the City would pay for the \$355,000 in debt service on the 20-year street improvement bond. Ms. Matthews replied that it would be taken from the Capital Fund. Mr. Glass stated that the City had tested microsurfacing to see if this would provide more durable pavement. Councilman Chiavacci commented that, if the City was able to spend \$5 million now on the street overlay program, but spend less in the future on maintenance, then bonding would make sense. Mr. Glass replied that the goal was to catch the Pavement Condition Index around 70% when the streets do not have an increase in substructure failure, so that the new wear structure could be added over top which would bring the roads back to 100%. Councilman Wack pointed out that, in 2006, the City took out a bond for street overlay work, but returned the bond proceeds due to the increased cost of paving materials.

President Albert requested a motion to hold an executive session immediately following the regular meeting to consider the acquisition of real property for a public purpose and matters directly related thereto and to consult with counsel to obtain legal advice on a legal matter. Councilman Pecoraro moved, seconded by Councilman Wack, to hold an Executive Session immediately following the regular meeting.

VOTE

AYES: Council President Albert, Councilman Chiavacci, Councilman Wack, Councilwoman Becker, and Councilman Pecoraro.

NAYS: None.

MOTION Passed Unanimously 5-0.

DEPARTMENTAL REPORTS

Mr. Mackey reported that the City's Arbor Day Celebration will be held on April 10, 2017. He also reported that, on March 9, the Planning and Zoning Commission heard and tabled Ordinance No. 869 – Amending Chapter 164 “Zoning and Subdivision of Land”, to address wireless technology on private property and Ordinance No. 875 regarding the Solar and Wind Energy Zoning Amendment. Planning and Zoning Commission has requested more information regarding the ordinances.

Chief Spaulding reported that Lieutenant Nikki Heuer was selected to attend the FBI National Academy. She will be in Quantico from July to September.

Ms. Palmer reported that the Finance Department completed the implementation of the purchase card program, finishing up with the Police Department. The Finance Department will continue its work on the procurement and the payroll system.

Mr. Glass reported that work on the ADA ramps will be completed during the week of March 27. Phase 2 of the fiber project is continuing and is on schedule. The Public Works Department is preparing bids for the purchase of trucks, tree services, HVAC services, and structural engineering projects.

Ms. Gruber handed out responses to a survey of those who attended the Celtic Canter. She reported that there were approximately 700 runners for the Celtic Canter. She also reported that the Wine Stroll would be held on April 2, 2017.

ADJOURNMENT

President Albert adjourned the meeting at 8:41 PM.

Respectfully Submitted,

Shannon Visocky

Full audio version is available on www.westminstermd.gov.